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**Services**



**FUNDING SUPPORT FOR SPECIAL MORALE  
AND WELFARE PURPOSES**

**COMPLIANCE WITH THIS PUBLICATION IS MANDATORY**

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OPR: HQ AIA/FMPF (Ms. Sherri Demmel)  
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Certified by: HQ AIA/FMP (Mr. Jim H. Chapman)  
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This Operating Instruction implements AFI 34-201, *Use of Non-Appropriated Funds (NAF)*. It establishes procedures and provides guidance for using Special Morale and Welfare (SM&W) funds. This instruction falls within the established guidelines of the Air Force Materiel Command (AFMC). It applies to all units collocated on "Security Hill." It does not apply to AIA-gained Air National Guard or Air Force Reserve units.

**SUMMARY OF REVISIONS**

Changes expenditure authorizations on several types of recognition, see Table 1. Changes the individual recognition programs to only involving military personnel.

**1. Description of SM&W Expenditures.** SM&W expenditures are NAF expenditures considered necessary to contribute to the overall morale and welfare of the military community. SM&W expenditures must:

- 1.1. Be in the best interest of the Air Force and benefit the military community.
- 1.2. Be conservative.
- 1.3. Not be limited to specific grades or levels of personnel or both.
- 1.4. Not be used instead of appropriated funds for purposes authorized in AFI 65-603, *Official Presentation and Funds-Guidance and Procedures*, and AFI 14-101, *Air Force Intelligence Planning and Operations*.
- 1.5. If possible, be used in Kelly AFB Clubs, dining facilities, or other military facilities. If military facilities cannot be used, a brief explanation will be provided as to why they cannot be used. This documentation will be attached to your request for funds.

**2. Guidelines.** See Table 1 for AFMC guidelines. SM&W funds may be used for:

**2.1. Recognition Programs.** Individual recognition programs involving military personnel. Expenditures are limited to the purchase of light refreshments. Light refreshments are defined as coffee, tea, or punch and perhaps, a serving of dessert or snacks. Complete meals, buffets, and smorgasbords do not qualify as light refreshments. Alcoholic beverages are not authorized for purchase using SM&W funds. The purchase of beer when served at commander's call is an exception to the rule. When using SM&W funds to purchase beer at commander's call, be conservative; only allow two, 12-ounce cans per attendee. Additionally, personnel trained in "dram shop" (a unit of weight in the U.S. customary system; the art of pouring a small drink), must be present when dispensing alcoholic beverages.

**2.2. Civic Affairs and Events.** Civic affairs and events which enhance the unit morale by promoting and fostering good relations between Air Force personnel and civic communities.

**2.3. Memorial observances.** For example, patriotic, national, and local affairs and or for deceased members and their immediate families that uphold traditions of the service and the United States. Authorized expenditures include flowers and contributions to national or local charities and foundations instead of flowers. However, donations to charities must be specifically requested by the bereaved. Amounts donated will not exceed the cost of flowers. AFMC has established a \$50.00 limit on flowers. Therefore, cash donations cannot exceed \$50.00.

**2.4. Occasions That Welcome And Orient Members Of The Command.** These expenditures include light refreshments only (see paragraph 2.1).

**2.5. Conferences, Workshops And Seminars.** Not authorized without a waiver. (Waivers must be submitted to HQ AIA/FM seven days prior to the conference for approval). Waivers must be submitted along with the request for funding. If the waiver is approved, the Project Officer will be notified of the amount approved. Expenditures will be limited to light refreshments (see paragraph 2.1). The amount of support provided is limited by the availability of funds. Recommend charging a non-reimbursable conference fee to defray the cost of refreshments for these types of functions.

**2.6. Hosting Visiting Government And Nongovernment Personnel.** SM&W funds are provided for:

2.6.1. Expenditures, when personally approved by the Commander (HQ AIA/CC) for government personnel other than for individual recognition. These expenditures may include mementos, receptions, or similar special events and are limited to light refreshments.

2.6.2. Expenditures for non-governmental personnel that may include meals, receptions, and mementos for civic affair-type functions that further the Morale, Welfare, and Recreation (MWR) Program.

**2.7. Conditions of Life.** Enhancing conditions of life in the Air Force and improving the surroundings in which members of the command live as contrasted with the work area.

**2.8. Change of Command Ceremonies.** Modest change of command ceremonies in which light refreshments may be served. Units must contact HQ AIA/FMP to determine the allowable funds. Dollar amounts are shown in Table 1, Section 8.

**3. Prohibited Expenditures.** SM&W funds shall not be expended for:

- 3.1. Purposes that do not have a direct relationship to the overall morale and welfare of the command and the interests of the Air Force.
- 3.2. Any purpose in which the use of MWR funds or NAF are expressly prohibited according to AFI 34-201.
- 3.3. Any purpose that would conflict with DODD 5500-7, *Joint Ethics Regulation*.
- 3.4. Any purpose that would circumvent administrative or legal restrictions on the use of NAF.
- 3.5. Contributions to or in support of private individuals or organizations, or to other NAF instrumentalities or non-Air Force government organizations.
- 3.6. Contributions to national or local charities, foundations, or similar organizations. An exception is allowed in the case of death where donations may be made to charitable organizations instead of flowers, if requested by the bereaved.
- 3.7. Financing Department of Defense or Air Force-directed programs, operations, or services having no connection with MWR. This includes:
  - 3.7.1. Purchasing, maintaining, and repairing non-MWR furnishings, equipment, and supplies.
  - 3.7.2. Altering, modifying, maintaining, or repairing facilities.
  - 3.7.3. Supporting programs unrelated to morale and welfare, or paying salaries or other compensation to personnel not working in MWR programs.
- 3.8. Gifts or amenities except those exceptions listed in AFI 34-201, paragraph 12.5.
- 3.9. Free or open bars for any function, except when commanders may provide free beer at commander's call.
- 3.10. Individual membership fees in professional, scientific, or technical societies and associations.
- 3.11. Meals, entertainment, and protocol-type functions for government personnel. This does not preclude refreshments, other than alcoholic beverages, for conferences, seminars, meetings, and other occasions when determined appropriate.
- 3.12. Protocol or command representation functions.
- 3.13. Traditional receptions such as commanders' New Year's Day receptions in which specific grades or groups are invited.
- 3.14. Expenses for any purpose for which appropriated funds are authorized and available.
- 3.15. TDY expenses.

**4. Applicability.** Major staff offices at HQ/AIA and AIA-unit commanders, supported by Kelly AFB MWR, may arrange to use NAF funds for functions listed in paragraph 2. However, AIA-unit commanders not supported by the 76th Services (76 SPTG/SV), should refer to their host-unit commander as the normal source for SM&W funding. The type of functions and the level of support to be provided to tenant units are strictly the decision of the host commander. Each AIA unit should work closely with their host commander to ensure that their unit is receiving an appropriate level of SM&W support regardless of what form that support may take.

**NOTE:**

Commanders of AIA units outside the San Antonio area are not supported by 76 SPTG/SV funds. SM&W support is provided from the host-unit commander.

**5. Approval Authority.** HQ AIA/FMP is delegated the approval authority to approve individual SM&W requests up to \$500. The AIA Financial Management and Comptroller (HQ AIA/FM) approves requests over \$500.

**6. Funding of Events.** HQ AIA/FM reviews prior year expenditures to determine the new year funding. HQ AIA/FM submits to 76 SPTG/SV every August funding requirements for the following fiscal year. AFMC controls and monitors these funds, sets funding amounts, and provides standards on the use of these funds.

**7. Form Prescribed.** AIA Form 52, **Request for Approval of Special Morale and Welfare Expenditure.**

**7.1. How to Use AIA Form 52.** AIA and field-unit project officers use AIA Form 52, as required, to request approval for expenditure of SM&W moneys. Use the following procedures to request funds.

**7.2. The host or project officer:**

7.2.1. Submits two copies of AIA Form 52 approved by the major staff office or unit commander, and forwards the approved AIA Form 52 to HQ AIA/FMP. HQ AIA/FMP returns, without action, any requests that have not been approved.

7.2.2. Submits the request for SM&W expenditures when the requirement is known, but not later than 5 workdays prior to the event.

**NOTE:**

Request for funds submitted after the events will be disapproved.

7.2.3. Completes AIA Form 52 according to figure 1:

**Figure 1. Completing AIA Form 52.**

**From.** Self-explanatory.

**Date of Request.** Self-explanatory.

**Purpose.** State the category of the event (see paragraph 2).

**Estimated Cost.** Enter the estimated cost of the event; accuracy is important to ensure funds can be properly obligated.

**Date and Time.** Enter the date and time the event is to take place.

**Place.** State where the event will be held.

**Guest of Honor.** Enter the name, grade, title, and unit assigned of each honoree.

**Attendance.** Only enter the number of military and civilian personnel expected to attend the event and whose cost is funded by SM&W funds. Do not include personnel whose cost is funded by appropriated or private funds.

**Food and Beverage Cost.** Enter the estimated cost for refreshments. Remember, only light refreshments may be served at these events; therefore, the cost should only reflect the cost of light refreshments. Also remember, alcoholic beverages are not funded except for beer after commander's call.

**Average Per Person.** To find the average per person, divide the estimated cost by the number of attendees.

**Additional Expenses.** List by item and amount. NOTE: The total amount of food, beverage, and additional expenses should equal the estimated cost in the "estimated cost" block.

**Explanation and Justification for this Expenditure.** HQ AIA/FM can properly determine the legality of using these funds if the requests are explained and justified. Include exactly what items are planned for purchase; (e.g., coffee and cake, soda and chips, etc.). Indicate if funds are required in advance, and if so, include the name of the individual the check is made payable to.

**Senior Officer Hosting the Function.** Self-explanatory

**Project Officer and Telephone Number.** Self-explanatory; use DSN.

**Signature Major Staff Officer and Commander.** Self-explanatory.

**Date.** Enter the date the form is signed.

**Funds For This Event Are.** Leave blank. HQ AIA/FM indicates approval or disapproval of fund expenditures and returns the second copy to the host or project officer.

Request a check be issued to \_\_\_\_\_ in the amount of \$ \_\_\_\_\_ for goods and, or, services listed on the attached invoice. The originator should indicate the exact payee for the requested check and the exact amount to be rendered (for example, John R. Jones, \$50).

7.2.4. After HQ AIA/FM or HQ AIA/FMP notifies you that your request for SM&W funds is approved, the project officer may make arrangements for the event. Do not exceed the approved dollar amount for each event. If additional funds are needed, they must also be requested. When arranging for an event or making purchases from commercial facilities, make sure that "taxes" are not included in the bill. If necessary, obtain a tax-exemption certificate or number from HQ AIA/FM.

### **7.3. HQ AIA/FM reviews each request to ensure:**

7.3.1. Planned event meets funding criteria.

7.3.2. Estimated cost of the event is within the standards established by HQ AFMC.

**8. How to Pay for Functions.** Immediately after the function, the project officer makes arrangements for invoices or receipts generated by the event to be sent to HQ AIA/FMP for processing. HQ AIA/FMP will not process requests without valid invoices or receipts. When a vendor refuses to accept a purchase order and advance funds are needed, the project officer requests that HQ AIA/FMP complete an AF Form 2539, NAF Disbursement Request. It is then necessary for the project officer to ascertain the exact amount of the purchase. After the purchase, the project officer sends invoices or receipts to HQ AIA/FMP for subsequent forwarding to the Non-appropriated Funds Accounting Office.

**Table 1. AFMC and HQ AIA Guidelines for Special Morale and Welfare (SM&W).**

| Type Recognition  | Limits                     | Expenditures Authorization  |
|---|----------------------------|---|
| 1. Individual Recognition   |                            |   |
| 1.1. Retirement   | \$75                       | First   |
|   | \$50                       | Each Additional   |
|   | \$30                       | Not participating in HQ AIA or 67 IW monthly retirements (1/2 doz. roses or light refreshments) funds permitting. Those personnel attending the consolidated retirement ceremony have priority for funding. |
| 1.2. Promotion  | \$30                       | Per Person (Open to all Personnel)  |
| 1.3. Awards   | \$20                       | Momentos  |
|   | \$30                       | For Each Meal Award Recipient and Spouse  |
|   | \$30                       | Meals for Speaker not on TDY Status   |
|   | \$50                       | Monetary Awards   |
| 2. Civic Affairs and Events   |                            |   |
| 2.1. Function Hosted by Community Leader                            | \$100                      | Official Representing the Air Force   |
| 2.2. Foster Good Relations between Air Force and Civilian Community | \$20                       | Momentos  |
|   | \$25                       | Per Meal  |
|   | \$100 max or \$2.50 each   | Per Person – Receptions   |
| 2.3. Ribbon Cutting on Base   | \$100 max or \$2.50 each   | Per Person – Receptions   |
| 3. Memorial Observations  | \$50                       | Flowers   |
| 4. Orientations   |                            |   |
| 4.1. Welcoming  | \$100 max or \$2 each      | Light Refreshments  |
| 4.2 CC Calls  | \$2 each person (per year) | Beer, Soft Drinks and Refreshments  |
| 5. Conference, Workshops, Seminars.                                 |                            | Not Authorized Without Waiver   |
| 6. Visiting Officials   | \$20                       | Momentos  |

|   |                                       |                                |
|---|---------------------------------------|--------------------------------|
| 6.1. Visiting Government Officials      | \$100 max<br>or \$2.50<br>each person | Reception                      |
|   | \$10                                  | Fruit Baskets                  |
| 6.2. Visiting Officials (nongovernment) | \$20                                  | Momentos                       |
|   | \$25 per<br>event                     | Reception                      |
|   | \$10                                  | Fruit Baskets                  |
|   | \$25 per<br>meal                      | Meals                          |
|   | \$50 per<br>event                     | Light Refreshments             |
| 7. Change of Command                    | \$1500                                | Agency Commanders              |
|   | \$500                                 | Wing and, or Center Commanders |
|   | \$200                                 | Group Commanders               |
|   | \$20                                  | Flowers and Momentos Spouse    |

JOHN A. THOMPSON, JR., Colonel, USAF  
Financial Management and Comptroller

